



ARKANSAS
Department of Environmental Quality

April 5, 2011

Mr. Ronnie White
Tax Collector for Phillips County
Post Office Box 450
Helena, Arkansas 72342

Re: Delinquent Property Taxes for Parcel Numbers: 001-07050-000, 001-07089-000,
and 001-07090-001

Mr. White:

I am writing in regards to the 2010 Tax Statement my office received for the above listed parcel numbers. The statement showed that the 2008 property taxes were delinquent. When I called your office about these taxes I was informed that the 2009 property taxes were delinquent as well. I further reviewed the situation and determined that the parcels of land listed above are not subject to property tax. These parcels are held by the Cedar Chemical Corporation Ownership Trust (hereinafter "Trust"). For your convenience I have attached a copy of the court order that created the Trust to this letter. The Trust was created under the authority of Ark. Code Ann. § 28-72-201 *et seq.* Section 28-72-207 states "[f]or all purposes of taxation under the authority of the state or any of its governmental or taxing subdivisions, the trust estate and its revenues shall have the same immunities as other property and revenues of the beneficiary or beneficiaries not so in trust." The beneficiary of the Trust is the State of Arkansas. All real and personal property of the State of Arkansas is exempt from taxation under Ark. Code Ann. § 26-3-301(4).

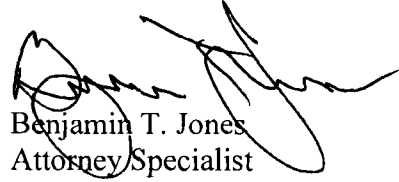
The parcels held by the Trust are to be taxed like other real property owned by the State of Arkansas. As such, the parcels are exempt from property taxation. The parcels were placed into the Trust by redemption deeds issued in 2008. Since the parcels held by the Trust are exempt from property taxation then no property taxes should have accrued for these parcels for 2008 and 2009. Property taxes should not accrue on the parcels as long as they are held by the Trust with the State of Arkansas as the beneficiary. Given the facts and law I have provided to you I respectfully request that you clear the property taxes due for 2008 and 2009 and not allow any additional property taxes to accrue on the parcels while the parcels are held by the Trust. If you have any questions or would like to discuss this matter further please feel free to contact me at (501) 682-0889. I thank you for your time and consideration of this matter.



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Sincerely,

Arkansas Department of Environmental Quality

A handwritten signature in black ink, appearing to read "Benjamin T. Jones", is written over the printed name.

Benjamin T. Jones
Attorney Specialist
Legal Division of
ADEQ

enclosure